

**DEPARTMENT OF HEALTH SERVICES**

**MEDI-CAL BENEFITS BRANCH**  
**MEDI-CAL POLICY DIVISION**  
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November 22, 2000

TO: All Local Governmental Agencies (LGAs)  
Local Educational Consortia (LECs)  
Medi-Cal Administrative Activities (MAA) and  
Targeted Case Management (TCM) Coordinators

**PPL No. 00-013**

SUBJECT: **RECORD RETENTION REQUIREMENTS**

The purpose of this transmittal is to inform each LGA and LEC of the record retention requirements for participation in the MAA and TCM Programs. The record retention requirements are contained in the *MAA Standard Agreement*, Article II, Section G and the *Medi-Cal Targeted Case Management Provider Participation Agreement*, Article II, Section 1. These instructions were previously issued in PPL 96-010 and PPL 98-025.

All records in support of allowable MAA activities and/or TCM services must be maintained for a minimum of three (3) fiscal years, after the end of the quarter in which the LGA or LEC incurred the expenditures. If an audit is in progress, or forthcoming, all records relevant to the audit shall be retained until the audit's duration or the final resolution of all audit exceptions, deferrals and/or disallowances.

MAA records must fully disclose the type and extent of administrative activities performed by appropriate staff. MAA records include, but are not limited to, organizational charts, claiming plans, supporting documentation for each claiming unit, annual time survey documentation, MAA Detailed and Summary Invoices, contracts between the LGA or LEC, LGA or LEC subcontracts, and other public entities.

TCM records must fully disclose: 1) the name and the beneficiary identification code of the person receiving the TCM services; 2) the name of the provider agency and/or person providing the service; 3) the date and place of service delivery; 4) the nature and extent of the TCM service provided. TCM records include, but are not limited to, supporting documentation for the annual cost report and the TCM Summary Invoice, time survey documentation, and encounter logs.

All records in support of allowable MAA activities and/or TCM must be maintained in an audit file and made available to the State and the Federal Governments upon request, in accordance with Title 42 of the Code of Federal Regulations, Section 433.32.

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Pursuant to 45 of the Code of Federal Regulations, Section 74.53(e), please note that an auditing agency has the right to timely and unrestricted access to any books, documents, papers, or other records of recipients that are pertinent. The regulations do not specify a time limit for an audit. Although it may be up to each LGA and LEC to choose to dispose of records after the three year retention period, each LGA and LEC should reevaluate their local procedures and or guidelines on record retention. In effect, each LGA and LEC may find it necessary to retain records beyond the minimum period of three years.

We appreciate your cooperation and continued participation in the MAA and TCM Programs. If you have any questions, please contact the analyst assigned to your jurisdiction.

Sincerely,

**Original signed by Patricia Morrison for**

Marianne Lewis  
Acting Chief

cc: Ms. Cathleen Gentry  
MAA/TCM Consultant  
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